

# **FISCAL MEMORANDUM**

## **SB 1629 – HB 1330**

April 17, 2007

**SUMMARY OF AMENDMENT (006279):** Deletes the language of the original bill. Makes theft involving a fiduciary relationship a Class B felony and requires the Commissioner of Commerce and Insurance to develop and implement investor education programs.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures - \$280,000 Recurring  
20,200 One-Time  
\$112,100 / Incarceration\*

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - \$85,700 / Incarceration\***

Assumptions applied to amendment:

- One offender per year will serve an additional 2.1 years for the Class B felony offender of theft involving a fiduciary relationship (an increase from a Class E at 0.3 years to a Class B at 2.4 years). According to the Department of Correction, the average operating cost per inmate per day for calendar year 2007 is \$60.16. The cost per inmate at 0.3 years is \$6,592.33 (\$60.16 x 109.58 days). The cost per inmate at 2.4 years is \$52,736.26 (\$60.16 x 876.60 days). The additional cost from increasing the average sentence length from 0.3 years to 2.4 years is \$46,143.99 (\$52,736.26 - \$6,592.33).
- One offender per year will serve an additional 1.8 years for the Class B felony of theft involving a fiduciary relationship (an increase from a Class D at 0.6 years to a Class B at 2.4 years). The cost per inmate at 0.6 years is \$13,184.06 (\$60.16 x 219.15 days). The cost per inmate at 2.4 years is \$52,736.26 (\$60.16 x 876.60 days). The additional cost from increasing the average sentence length from 0.6 years to 2.4 years is \$39,552.20 (\$52,736.26 - \$13,184.06).

- No significant incarceration cost increase will occur due to population growth in this period.
- Any increase in state expenditures to the Department of Commerce and Insurance to develop and implement investor education programs will be not significant.

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director

/db